

**MINUTES
NOME COMMON COUNCIL
REGULAR MEETING
APRIL 10, 2006**

The Regular Meeting of the Nome Common Council was called to order at 7:30 P.M. by Mayor Denise Michels in the City Council Chambers of Nome City Hall located at 102 Division St.

ROLL CALL

Members Present: Stan Andersen, Jerald Brown, Mary Bourdon, Mary Knodel, Jon Larson, Randy Pomeranz

Members Absent:

Also Present: City Manager Randy Romenesko; City Clerk Leslee Wessel

In the audience: Mitch Erickson, Nome Chamber of Commerce; Sandra Medearis, Arctic News; Paul Korchin, Knom; Robert Tasso.

INVOCATION

Paul Korchin

APPROVAL OF MINUTES

A. Minutes of the Regular Meeting of March 27, 2006

A motion was made by C. Pomeranz and seconded by C. Knodel to approve the minutes of the Regular Meeting of March 27, 2006.

C. Knodel stated on page 2, where it says Cheryl Andersen, it should be Cheryl Thompson.

Mayor Michels stated that on page 9, under the Mayor's Comments it should read the Utility Manager instead of City Manager.

At the roll call:

Ayes: Brown, Bourdon, Knodel, Larson, Pomeranz, Andersen

Nays:

The motion CARRIED.

COMMUNICATIONS

Mayor Michels read the communications by title

CITIZENS GRIEVANCES AND REQUESTS

Mitch Erickson, Nome Chamber of Commerce, stated they along with the Bering Straits Development Council are holding an energy summit on April 20 and 21. April 20 they will focus on projects that would ultimately allow the city and citizens to divorce themselves from diesel for power generation and for home heating fuel. They will be looking at local resources such as natural gas, geothermal, hydrogen, solar, and wind generation and this discussion will cover day one. Knowing that moving from diesel will be a long term, very expensive project and they still need to deal with everyday living, day two will be geared to what an individual can do to lower their energy costs. They will be bringing in experts to teach what individuals can do to reduce their costs by insulating and exploring alternative energy sources. They will

also bring in financing information to assist in the education process. This will be at the Pioneer Hall on April 20 and 21. For more information contact the Chamber Office at 3879 or nomechamber@gci.net.

PLANNING AND ZONING

SPECIAL ORDERS

UNFINISHED BUSINESS

NEW BUSINESS

- A. R-06-04-01 A Resolution Accepting a Hazard Mitigation Grant from the Department of Military and Veterans Affairs Division of Homeland Security and Emergency Management for the Carrie M. McLain Memorial Museum Sump Pump Upgrade.

Hearing no objection from the Council the Mayor asked the Clerk to read R-06-04-01.

A motion was made by C. Knodel and seconded by C. Larson to approve R-06-04-01.

At the roll call.

Ayes: Bourdon, Knodel, Larson, Pomeranz, Andersen, Brown
Nays:

The motion CARRIED.

- B. R-06-04-02 A Resolution of the City of Nome, Alaska, Requesting Alaska Department of Transportation Build a General Aviation Strip at the Nome Airport.

Hearing no objection from the Council the Mayor asked the Clerk to read R-06-04-02

A motion was made by C. Knodel and seconded by C. Bourdon to approve R-06-04-02.

At the roll call.

Ayes: Knodel, Larson, Pomeranz, Andersen, Brown, Bourdon
Nays:

The motion CARRIED.

CITY ATTORNEY REPORT

UTILITY MANAGER REPORT

CITY MANAGER REPORT

City Manager Romenesko provided the Council with a written report. He mentioned the following:

- They have received notice from NOAA that they have rendered their final determination regarding the appeal for repayment assistance on the Coastal Energy Impact Program loan paid by the City. In essence the City is eligible for repayment assistance in the form of a modification of the loan's terms and conditions waiving the collection of interest which is \$3.156M. Repayment of the principal is subject to negotiation on a revised payment schedule. He has been in contact with Ms. Barbara McNeil who is the Chief of Business Management Division with NOAA about their forthcoming negotiations and they have set a date of April 27 at 10:00 a.m. for a

teleconference to begin the discussion for repayment. He would like the Council to consider appointing one of its members to participate in the discussions with the City Attorney, the Controller and himself.

C. Andersen asked if they are being forced into this deal. City Manager Romenesko stated they are not forced into anything, but he thinks it is prudent for them to pursue good faith negotiations to determine where they can make this thing go. The Council just received the actual determination from the Undersecretary and the legal analysis by the City Attorney. The ruling was favorable for the City at many different levels and does provide certain opportunities he thinks it would be wise for them to follow up on.

C. Larson was asked if he would be interested in sitting in on these negotiations. He stated he would be happy to do it but he will be gone quite a bit in May. He would be available telephonically if that will work.

C. Andersen was asked if he was interested in participating. C. Andersen stated they can both be involved and then there will be one of them available at all times.

C. Knodel asked if the waiving of interest included future interest. City Manager Romenesko stated that will be part of the negotiations.

- They have gone out to bid on the elementary fuel tank replacement project. If any local contractors want to participate in that there are bid documents at city hall.
- It is worth mentioning that in the packet tonight there was a technical memorandum from the City Engineer regarding the seawall. He provided a part of the harbor fact sheet and the point he wants to make is when the seawall was completed in 1951 by the Corps it had a crest elevation of +18 feet. A lot of the survey notes they see in there are right around that 17 ½ to 18 foot number which would seem to lend credence to their conclusion that they have not seen subsidence over the five years that they have been doing survey work but maybe even over the life of the wall. That doesn't mean that the bathymetry or the under water contours haven't changed significantly which may impact how waves hit the seawall and they did do quite a bit of survey work in the early to mid 80's as part of the port project and again in 1997 as part of the new port project. They will overlay the different bathymetry surveys to see if that might explain some of the issues with the waves coming up over the top.
- They have started the FY 2007 budget process. He provided them with a calendar in the packet which is his best guess of when they will need to take action on certain parts of the budget. May 1 the school board has to submit an appropriation request to the Council then they have thirty days to set that appropriation and State Statutes require the Council to establish the mill rate before June 15.
- They have a work session April 12 at 7:00 p.m. In front of them they have a packet of information that has the different topics with discussion points they might want to consider reviewing.
- Next Monday they meet with Col. Gallagher to talk about the Nome Navigation Improvement Project. The memo he gave them earlier is still appropriate.
- He will be gone next week to Washington D.C. as a chaperone for the eighth graders from the Science Academy.

C. Knodel asked what the match is for the LWCF grant. City Manager Romenesko stated the potential grant right now is \$154,000 from the state and it is a 50/50 match.

C. Brown asked if the crest elevation of +18 feet mentioned in the Nome Harbor fact sheet is the current measurement or is that taken out of the 1941 document. City Manager Romenesko stated he is assuming that is taken from the 1950/51 document.

C. Andersen asked if they ever received the school employee contract. City Manager Romenesko stated he has an unsigned version but he will see if it is on their website and get it for them.

C. Andersen asked if they ever received the budget information on the generator. Mayor Michels stated they didn't. C. Knodel stated she would still like to see it.

C. Larson asked if the school entered into a contract on the radon issue. City Manager Romenesko stated they are very close. They are still working on some details. The contractor is scheduled to come up from Washington and from Fairbanks on May 9.

C. Andersen asked if they sealed off the doors. City Manager Romenesko stated they are closed to students, but staff can still enter and exit.

C. Larson asked if they have heard about a cross walk at Hansens. City Manager Romenesko stated he sent a note to Bill Townsend and his preliminary read was he didn't think they could do it but he will do further research.

COUNCILMEN COMMENTS

C. Larson stated he received a memo that Stan Lujan sent to the school board dated April 3 and in it he states the City has brought in increased tax revenues this year. City Manager Romenesko stated they are always monitoring sales taxes and they are down compared to the last couple of years as a result of no collection of sales tax on groceries. The one month he looked at it was down about \$50,000. He doesn't think they will meet the numbers of last fiscal year.

There were no other comments given.

MAYOR'S COMMENTS AND REPORT

Mayor Michels acknowledged Gina Appolloni with the Kawerak VPSO Program and Investigator Sheets. Last week they attended the first law enforcement track at NACTEC. They did a good job and she hopes it continues to grow.

She has attached Ray Gillespie's briefing paper on revenue sharing which she thought was good information to share with the Council.

The City of Nome Brunch is on May 7 in Juneau. She said if anyone is interested in attending to please let the Clerk know. She has invited the School Board and the Utility Board to send a representative.


She will miss the May 8 Council Meeting and asked Councilman Andersen to chair the meeting.

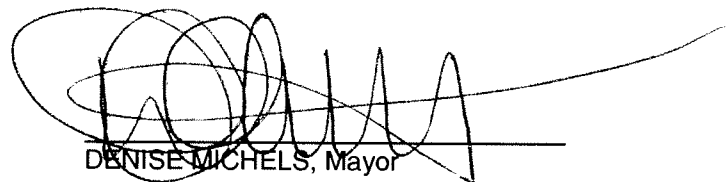
ADJOURNMENT

A motion was made by C. Andersen and seconded by C. Knodel to adjourn.

Hearing no objections, the Nome Common Council adjourned at 7:51 p.m.

SIGNED AND DATED this 24th day of April, 2006.


LESLEE M. WESSEL, City Clerk/Treasurer


DENISE MICHELS, Mayor